

FEDERAL BUREAU OF INVESTIGATION  
FOI/PA  
DELETED PAGE INFORMATION SHEET  
FOI/PA# 1504656-000

Total Deleted Page(s) = 12

Page 29 ~ b5; b6; b7C;  
Page 30 ~ b5; b6; b7C;  
Page 31 ~ b5; b6; b7C;  
Page 32 ~ b5; b6; b7C;  
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Page 34 ~ b5; b6; b7C;  
Page 38 ~ Duplicate;  
Page 39 ~ Duplicate;  
Page 40 ~ Duplicate;  
Page 42 ~ Duplicate;  
Page 43 ~ Duplicate;  
Page 47 ~ Referral/Direct;

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X Deleted Page(s) X  
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(12/31/1995)

# FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 08/11/1998

To: Little Rock

From: Little Rock

Sq. 3

Contact: SSA [redacted]

b6  
b7C

Approved By: [redacted]

Drafted By: [redacted]

Case ID #: 196C-LR-38302 (Closed)

Title: UNSUB(S);

[redacted]  
FBW

Synopsis: To document conversation with [redacted] and to close above captioned case.

Details: On 8/11/98, SSA [redacted] telephoned [redacted] Stephens Inc., to advise him that First Assistant United States Attorney (FAUSA) [redacted] declined prosecution on his complaint of fraud by [redacted] questioned why it had taken so long to determine that the case would be declined. It was explained to [redacted] that, as he was advised months ago, the case had been placed in a pending inactive status because of the current workload of the FBI. After a review of the file, and with the current and anticipated workload of Squad 3, SSA [redacted] contacted FAUSA [redacted] and after discussing the facts, FAUSA [redacted] advised that his office would not prosecute and that [redacted] should pursue civil actions against [redacted]

b6  
b7C

♦♦

3-10-03  
Please make  
pending &  
close

b6  
b7C  
b7E

AGENT COPY SENT

UPLOADED

W/TEXT ☒ W/O TEXT ☐

LEADS SET

BY: [redacted]

DATE 8/12/98

196C-LR-038302-8

Title



Securities fraud,  
loss of \$35,000;  
Stephens Inc.,  
Little Rock, Ar. - victim;  
FBW;

b6  
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A friend of the broker, [redacted] lives in the Dallas area and actually went by the subjects address. This person found the actual apartment and did see the name [redacted] listed.

b3  
b6  
b7C  
b7E

[redacted] was a reference in [redacted] case [redacted] gave a home telephone number of [redacted] and a mobil phone number of [redacted]



Universal File Case Number 196C-LR-38302-1A1

Field Office Acquiring Evidence LR

Serial # of Originating Document \_\_\_\_\_

Date Received 10/8/97

From \_\_\_\_\_

(Name of Contributor)

Stephens & Inc.

(Address of Contributor)

\_\_\_\_\_  
(City and State)

By \_\_\_\_\_

(Name of Special Agent)

To Be Returned ☐ Yes ☒ No

Receipt Given ☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)

Federal Rules of Criminal Procedure

☐ Yes ☐ No

Title:

Reference: FD 302 dated 10/10/97

(Communication Enclosing Material)

Description: ☐ Original notes re interview of

Letter dated 10/6/97 Copies of  
Documents pertaining to

b6  
b7C

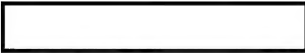
b6  
b7C

# Stephens Inc.



b6  
b7C

October 6, 1997




Federal Bureau of Investigation  
Two Financial Centre  
10825 Financial Centre Pkwy.  
Suite 200  
Little Rock, Arkansas 72211




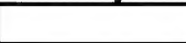
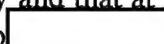
KEEP ATTACHED TO EXHIBIT  
LR# 196C-CR-28302-1A1

Dear 

It was a real pleasure to meet with you last week and to discuss the "free riding" transaction that was recently suffered by our firm.

Enclosed for your additional information are copies of account documents relating to an earlier transaction which may also have been a "free riding" transaction involving a customer who went by the name of  transaction did not result in a loss because the market price of the securities involved in that transaction increased.

b6  
b7C

As you may recall,  related to us that the pattern of  activity was very similar to the pattern of  activity and that at least one person thought that  telephone voice sounded very similar to  telephone voice.

Please let me know if we may be of further assistance to you in connection with this matter.

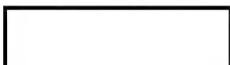
Yours truly,



b6  
b7C



Enclosures



# Stephens Inc.

Investment Bankers  
111 Center Street • P.O. Box 3507 • Little Rock, Arkansas 72203  
501-374-4361 Fax 501-377-3715

## DISCLOSURE OF CREDIT TERMS ON TRANSACTIONS

Securities and Exchange Commission Rule 10b-16 requires a broker/dealer that extends credit to a customer in connection with any security transaction to furnish the customer specific information describing the terms, conditions and methods pursuant to which interest charges are made to customers' accounts. The following information is provided to you in conformity with the requirements of the Rule.

Stephens Inc. ("Stephens") will charge interest on the daily debit balance in any margin account where credit is extended to you as follows:

Debit Balance	Interest Rate
\$1 to \$25,000	2% above broker call rate
\$25,001 to \$50,000	1% above broker call rate
\$50,001 and over	1/2% above broker call rate

The broker call rate is the interest rate which banks charge brokerage firms for the financing of margin accounts and inventory positions.

The annual rate of interest, including any surcharge thereon, will not be more than five (5) percentage points above the Federal Reserve Discount Rate. Any change in the Discount Rate and/or surcharge may result in an adjustment to the annual rate of interest charged to your margin account. Such an adjustment may be made at the discretion of Stephens without prior notice to you.

The interest charged to your margin account will be determined by multiplying the daily debit balance in your margin account by the rate of interest in effect at that time. Any free credit balances owed to you will be applied to the debit balance in your margin account to arrive at your daily debit balance.

As disclosed in Section 4 of the Margin Account Agreement, signed by you, any security or other property held as collateral for credit extended to you is subject to a general lien and security interest for the discharge of your obligations to Stephens. In addition, there are certain house rules which require minimum account equity based upon the class of security or securities held in your margin account. In the event the equity in your account falls below these house requirements, you will be called on for additional cash or collateral to bring your equity in line with these requirements. There may be times when Stephens is extending credit on particular securities, but due to market or other conditions Stephens may feel it necessary to call on you for sufficient cash or collateral in order to make that security fully paid for. Stephens may decline to extend credit on certain securities because of price, market or other conditions.

Short accounts will be "marked to the market" periodically. If a security which you have sold short (or short against the box) appreciates in market value, the margin account will be debited and the short account will be credited. If the security depreciates in market value, the margin account will be credited and the short account will be debited.

Failure to meet margin calls could result in liquidation of your account.

### Interest Computation

Stephens computes interest on debit balances as follows:

Average outstanding debit balance	x	Applicable interest rate	x	<u># of days with net debit balance</u> 360
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Interest is charged monthly and will appear on your monthly account statement.

Please review your account statement for the accuracy of such charges. If you should have any questions please contact your account executive.



**To: Stephens Inc.**  
**111 Center Street**  
**Little Rock, Arkansas 72201**

Annual Income per customer

Less than \$15,000	_____
\$15,001 - \$25,000	_____
\$25,001 - \$50,000	_____
Over 50,000	<u>      </u>

Account No.

By

Date 3/17/19

In consideration of Stephens, Inc. ("Stephens") accepting one or more accounts of the undersigned customer(s) ("Customer") for the purchase, sale or carrying of securities or for the Customer agrees to the terms and conditions set forth below and on the reverse of this agreement. BY SIGNING THIS AGREEMENT, THE CUSTOMER ACKNOWLEDGES THAT THE CUSTOMER'S SECURITIES MAY BE LOANED TO STEPHENS OR LOANED OUT TO OTHERS. THIS IS A BINDING CONTRACT. READ IT CAREFULLY BEFORE SIGNING.

The Customer, if an individual, represents that the Customer is of full age, and the Customer is not an employee of any exchange, or any corporation of which any exchange or majority of the capital stock, or a member of any exchange or of a member firm or member corporation registered on any exchange, or of a bank, trust company, insurance company, any corporation, firm or individual engaged in the business of dealing, either as broker or as principal, in securities, bills of exchange, acceptances or other forms of commercial : unless so indicated on the Account Application and the written consent of the Customer employer is attached hereto. The Customer further represents that no one except the Customer has an interest in the account or accounts of the Customer with Stephens and the Customer will notify Stephens in writing of any change.

~~THE CUSTOMER UNDERSTANDS THAT THIS AGREEMENT CONTAINS, IN PARAGRAPH NUMBER 9 BELOW, A PRE-DISPUTE ARBITRATION CLAUSE REQUIRING ALL DISPUTES UNDER THIS AGREEMENT TO BE SETTLED BY BINDING ARBITRATION. BY SIGNING BELOW CUSTOMER ACKNOWLEDGES RECEIVING A COPY OF THIS AGREEMENT.~~

~~11-16-95~~ 5-16-95

Account Number

(Customer Signature)

1. "Customer" shall mean both the singular and the plural, if the account shall be joint.
2. All transactions shall be handled in accordance with and shall be subject to all then applicable federal and state laws and rules and regulations promulgated thereunder, constitution, rules, customs and usages of the applicable exchange, association, market or clearinghouse, and the customs and usages of those transacting business on such exchange, market or clearing house. This agreement shall be deemed modified to the extent necessary to conform with any changes in such laws, rules, regulations, constitutions, customs and usages and as modified shall remain in full force and effect.
3. Except as herein otherwise expressly provided, no provision of this agreement shall in any respect be waived; altered, modified or amended unless such waiver, alteration, modification or amendment be committed to in writing and signed by an officer of Stephens.
4. All monies, securities, commodities or other property carried by Stephens at any time in any account of the Customer (held either individually, jointly or otherwise) other than a Regulated Commodity Account, or which may at any time be in Stephens' possession or under its control for any purpose shall be collateral subject to a general lien and security interest for the discharging of all obligations of the Customer to Stephens, however and whenever arising.
5. Whenever the Customer is indebted to Stephens or has a short position with Stephens, any securities, commodities or other property carried by Stephens in any account of the Customer may from time to time and without notice to the Customer be pledged, repledged, hypothecated or rehypothecated by Stephens separately or together with the property of others, either for more or less than the amount of the indebtedness of the Customer to Stephens without Stephens retaining in its possession or under its control for delivery a like amount of similar property.
6. The Customer agrees to pay customary brokerage and commission charges. Debit balances of the accounts of the Customer shall be charged with interest at a rate as set by Stephens, not to exceed the higher of the maximum rates allowed by applicable Federal or State laws, which may vary from time to time as more specifically permitted by the applicable laws. Subject to the foregoing, changes in such rates may be made as Stephens determines and the Customer specifically consents to such changes without prior notice thereof.
7. All securities, other property and collateral deposited for the protection of the Customer's collateral and/or margin account may be held and used by Stephens until the Customer's demand and become entitled to delivery thereof. Stephens shall have a reasonable time after such demand to ship securities, other property or collateral to the Customer, and the Customer is only be required to deliver securities, other property or collateral of the same kind and character as originally deposited.
8. At any time and from time to time, in Stephens' discretion, Stephens may, without notice to the Customer, transfer or apply any monies or property of the Customer bearing interest within any account of the Customer (unless separately agreed upon by the Customer).

## 9. ARBITR

- ARBITRATION IS FINAL AND BINDING ON THE PARTIES.
- THE PARTIES ARE WAIVING THEIR RIGHT TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO JURY TRIAL.
- PRE-ARBITRATION DISCOVERY IS GENERALLY MORE LIMITED THAN AND DIFFERENT FROM COURT PROCEEDINGS.
- THE ARBITRATORS' AWARD IS NOT REQUIRED TO INCLUDE FACTUAL FINDING OR LEGAL REASONING AND ANY PARTY'S RIGHT TO APPEAL OR TO SEEK MODIFICATION OF RULINGS BY THE ARBITRATORS IS STRICTLY LIMITED.
- THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.
- NO PERSON SHALL BRING A PUTATIVE OR CERTIFIED CLASS ACTION TO ARBITRATION, NOR SEEK TO ENFORCE ANY PRE-DISCOVERY ARBITRATION AGREEMENT AGAINST ANY PERSON WHO HAS INITIATED IN COURT A PUTATIVE CLASS ACTION; OR WHO IS A MEMBER OF A PUTATIVE CLASS WHO HAS NOT OPTED OUT OF THE CLASS WITH RESPECT TO ANY CLAIMS ENCOMPASSED BY THE PUTATIVE CLASS ACTION UNTIL: (i) THE CLASS CERTIFICATION IS DENIED; OR (ii) THE CLASS IS DECERTIFIED; OR (iii) THE CUSTOMER IS EXCLUDED FROM THE CLASS BY THE COURT. SUCH FORBEARANCE TO ENFORCE AN AGREEMENT TO ARBITRATE SHALL NOT CONSTITUTE A WAIVER OF ANY RIGHTS UNDER THIS AGREEMENT EXCEPT TO THE EXTENT STATED HEREIN.

**ARBITRATION:** THE CUSTOMER AGREES, AND BY CARRYING AN ACCOUNT FOR THE CUSTOMER, STEPHENS AGREES THAT ALL CONTROVERSIES WHICH MAY ARISE BETWEEN THE PARTIES CONCERNING ANY TRANSACTION OR THE CONSTRUCTION, PERFORMANCE, OR BREACH OF THIS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES PERTAINING TO SECURITIES AND OTHER PROPERTY, WHETHER ENTERED INTO PRIOR, ON OR SUBSEQUENT TO THE DATE HEREOF, SHALL BE DETERMINED BY ARBITRATION. ANY ARBITRATION UNDER THIS AGREEMENT SHALL BE CONDUCTED PURSUANT TO THE FEDERAL ARBITRATION ACT AND THE LAWS OF THE STATE DESIGNATED IN PARAGRAPH 19, BEFORE THE NEW YORK STOCK EXCHANGE, INC. OR AN ARBITRATION FACILITY PROVIDED BY ANY OTHER EXCHANGE OF WHICH STEPHENS IS A MEMBER, OR THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. OR THE MUNICIPAL SECURITIES RULEMAKING BOARD AND IN ACCORDANCE WITH THE RULES OBTAINING OF THE SELECTED ORGANIZATION. THE CUSTOMER MAY ELECT IN THE FIRST INSTANCE WHETHER ARBITRATION SHALL BE BY AN EXCHANGE OR SELF-REGULATORY ORGANIZATION OF WHICH STEPHENS IS A MEMBER. BUT IF THE CUSTOMER FAILS TO MAKE SUCH ELECTION, BY REGISTERED LETTER OR TELEGRAM ADDRESSED TO STEPHENS AT STEPHENS' MAIN OFFICE, BEFORE THE EXPIRATION OF TEN DAYS AFTER RECEIPT OF A WRITTEN REQUEST FROM STEPHENS TO MAKE SUCH ELECTION, THEN STEPHENS MAY MAKE SUCH ELECTION THE AWARD OF THE ARBITRATORS, OR OF THE MAJORITY OF THEM, SHALL BE FINAL, AND JUDGEMENT UPON THE AWARD RENDERED MAY BE ENTERED IN ANY COURT, STATE OR FEDERAL, HAVING JURISDICTION.

10. Stephens will not be responsible for delays in the transmission of orders due to breakdown or failure of transmission or communication facilities, or to any other cause or causes beyond Stephens' reasonable control or anticipation.

All orders given by the Customer for the purchase or sale of securities or other property, which may be listed on more than one exchange or market, may be executed on any exchange or market selected by Stephens.

11. Upon the occurrence or determination of any of the following events, which are designated (a) through (f) herein, (a) IN THE EVENT THAT AT ANY TIME SHOULD STEPHENS FOR ANY REASON WHATSOEVER AND AT STEPHENS' SOLE AND ABSOLUTE DISCRETION DEEM IT ADVISABLE TO CLOSE OUT, TERMINATE, REVOKE OR CANCEL THIS ACCOUNT, or (b) in the event that one or more of the Customers be judicially declared incompetent, or (c) in the event of the death of one or more of the Customer, (d) in the event that petition in bankruptcy or for the appointment of a receiver is filed by or against one or more of the Customer, or (e) in the event that an attachment is levied against the Customer's account, or (f) in the event that the collateral deposited to protect the Customer's account be determined by Stephens in Stephens' absolute and uncontrolled discretion, and regardless of market quotations, to be inadequate to properly secure this account, Stephens, in any of the foregoing events, is authorized to close out, terminate, revoke or cancel this account in whole or in part and in connection therewith Stephens may sell any or all of the securities and commodities or any property which may be in Stephens' possession, or which Stephens may be carrying for Customer, or Stephens may buy in any securities, commodities or other property of which the account or accounts of the Customer may be short, or cancel any outstanding orders in order to close out the account or accounts of the Customer in whole or in part or in order to close out any commitment made in behalf of the Customer. Such sale, purchase or cancellation may be made according to Stephens' judgement and may be made, at discretion, on the exchange or other market where such business is then usually transacted or at public auction or a private sale, without advertising the same and without prior tender, demand or call of any kind upon the Customer or upon the personal representatives of the Customer and Stephens may purchase the whole or any part thereof free from any right of redemption, and the Customer shall remain liable for any deficiency; it being understood that a prior tender, demand or call of any kind from Stephens, or prior notice from Stephens of the time and place of such sale or purchase shall not be considered a waiver of Stephens' right to sell or buy any securities and/or commodities and/or other property held by Stephens, or owed Stephens by the Customer, at any time as hereinbefore provided.

12. The Customer will at all times maintain margins for said accounts, as required by Stephens from time to time.

13. The Customer undertakes, at any time upon Stephens' demand, to discharge obligations of the Customer to Stephens, or, in the event of a closing of any account of the Customer in whole or in part, to pay Stephens the deficiency, if any.

14. In case of the sale of any security, commodity, or other property by Stephens at the direction of the Customer and Stephens' inability to deliver the same to the purchaser by reason of failure of the Customer to supply Stephens therewith, then and in such event, the Customer authorizes Stephens in Stephens' discretion, to borrow or to buy in any security, commodity, or other property necessary to make delivery thereof, and the Customer hereby agrees to be responsible for any loss which Stephens may sustain thereby and any premiums which Stephens may be required to pay thereon, and for any loss which Stephens may sustain by reason of Stephens' inability to borrow or as a result of Stephens buy in of such security, commodity, or other property sold.

15. When placing with Stephens any sell order for short account, the Customer will designate it as such and hereby authorizes Stephens to mark such order as being "short", and when placing with Stephens any order for long account, will designate it as such and hereby authorizes Stephens to mark such orders as "long". Any sell order which the Customer shall designate as long account as above provided, is for securities then owned by the Customer and if such securities are not then deliverable by Stephens from any account of the Customer, the placing of such order shall constitute a representation by the Customer that he will deliver them forthwith.

16. In all transactions between Stephens and the Customer, the Customer understands that Stephens is acting as the broker of Customer, except when Stephens discloses to the Customer by Stephens' formal confirmation or otherwise in writing that Stephens is acting, with respect to a particular transaction as dealer for Stephens' own account or as broker for some other person.

17. Reports of execution of orders and statement of accounts of the Customer shall be conclusive if not objected to in writing at once.

18. Communications may be sent to the Customer at the address indicated on the Account Application or at such other address as the Customer may hereafter give Stephens in writing, and all communications so sent, whether by mail, telegraph, messenger or otherwise, shall be deemed given the Customer personally, whether actually received or not.

19. The provisions of this agreement shall in all respects be construed according to the rights and liabilities of the parties hereto shall in all respects be governed by the laws of the State of Arkansas and applicable Federal Laws.

20. The provisions of this agreement shall be continuous and shall cover individually and collectively all accounts which the Customer may open or reopen with Stephens, and shall inure to the benefit of Stephens, its successors and assigns and shall be binding upon the Customer, and/or the estate, executors, administrators and assigns of the Customer.

21. This agreement shall continue until signed notice of termination, revocation or cancellation of the account is received by or from the Customer, and the agreement shall continue effective as to any transactions entered into prior to receipt of notice of such termination, revocation or cancellation, provided however, that until the Customer has completely discharged any and all obligation owing to Stephens, Stephens will maintain this account in compliance with all rules and regulations including applicable margin requirements.

# Stephens Inc. Customer Option Agreement

ACCOUNT NAME:

ADDRESS:

CITY, STATE, ZIP:

PLEASE CHECK ONE:

☒ New Option Account

☐ Updating Existing Option Account

b6

b7c

(Account Number)

(Full Name & Address)

THIS SECTION NOT APPLICABLE IF CORPORATE ACCOUNT

MARRIED: ☐ YES ☒ NO

EMPLOYER: SELF

DATE OF BIRTH:

NUMBER OF DEPENDENTS: \_\_\_\_\_  
(include self)

IF JOINT ACCOUNT PLEASE SUPPLY THE FOLLOWING INFORMATION:  
(for more than two tenants please use additional form)

JOINT TENANT NAME: \_\_\_\_\_

EMPLOYER: \_\_\_\_\_

MARRIED: ☐ YES ☐ NO DATE OF BIRTH: \_\_\_\_\_

NUMBER OF DEPENDENTS: \_\_\_\_\_  
(include self)

ESTIMATED ANNUAL INCOME (combined if JT ACCT) (in thousands) (All Sources)	ESTIMATED NETWORTH (combined if JT ACCT) (in thousands) (Exclusive of Family Residence)	ESTIMATED LIQUID NETWORTH (combined if JT ACCT) (in thousands) (Cash, Securities, Other)	INVESTMENT EXPERIENCE																														
<input type="checkbox"/> Under \$10 <input type="checkbox"/> \$10 - \$25 <input type="checkbox"/> \$25 - \$50 <input type="checkbox"/> \$50 - \$100 <input type="checkbox"/> \$100 - \$250 <input checked="" type="checkbox"/> Over \$250	<input type="checkbox"/> Under \$10 <input type="checkbox"/> \$10 - \$25 <input type="checkbox"/> \$25 - \$50 <input type="checkbox"/> \$50 - \$75 <input type="checkbox"/> \$75 - \$100 <input type="checkbox"/> \$100 - \$250 <input type="checkbox"/> \$250 - \$500 <input checked="" type="checkbox"/> Over \$500	<input type="checkbox"/> Under \$10 <input type="checkbox"/> \$10 - \$25 <input type="checkbox"/> \$25 - \$50 <input type="checkbox"/> \$50 - \$75 <input type="checkbox"/> \$75 - \$100 <input type="checkbox"/> \$100 - \$250 <input type="checkbox"/> \$250 - \$500 <input checked="" type="checkbox"/> Over \$500	<table border="0"> <tr> <td></td> <td>None</td> <td>Less Than 1 Yr</td> <td>1 - 5 Yrs.</td> <td>5 or More Yr</td> </tr> <tr> <td>Options</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Stocks</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Commodities</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Bonds</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>(Other)</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>		None	Less Than 1 Yr	1 - 5 Yrs.	5 or More Yr	Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Stocks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Commodities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(Other)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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INVESTMENT OBJECTIVES (Check All Appropriate Boxes)	USUAL TRANSACTION SIZE	PREVIOUS OPTION EXPERIENCE (Check All Appropriate Boxes)	STRATEGIES CLIENT FEELS CAPABLE OF EVALUATING & REQUESTS TO BE APPROVED																						
<input checked="" type="checkbox"/> Income <input checked="" type="checkbox"/> Growth <input checked="" type="checkbox"/> Trading Profits <input checked="" type="checkbox"/> Speculation * * must check unless covered call writing only	<table border="0"> <tr> <th>Stocks</th> <th>Options</th> </tr> <tr> <td><input type="checkbox"/> Less than 100 Sh.</td> <td><input type="checkbox"/> 1 - 5 Contracts</td> </tr> <tr> <td><input type="checkbox"/> 100 - 500 Sh.</td> <td><input type="checkbox"/> 5 - 10 Contracts</td> </tr> <tr> <td><input type="checkbox"/> 500 - 1,000 Sh.</td> <td><input type="checkbox"/> 10 - 100 Contracts</td> </tr> <tr> <td><input type="checkbox"/> 1,000 - 10,000 Sh.</td> <td><input checked="" type="checkbox"/> More than 100 Contracts</td> </tr> <tr> <td><input checked="" type="checkbox"/> More than 10,000 Sh.</td> <td></td> </tr> </table>	Stocks	Options	<input type="checkbox"/> Less than 100 Sh.	<input type="checkbox"/> 1 - 5 Contracts	<input type="checkbox"/> 100 - 500 Sh.	<input type="checkbox"/> 5 - 10 Contracts	<input type="checkbox"/> 500 - 1,000 Sh.	<input type="checkbox"/> 10 - 100 Contracts	<input type="checkbox"/> 1,000 - 10,000 Sh.	<input checked="" type="checkbox"/> More than 100 Contracts	<input checked="" type="checkbox"/> More than 10,000 Sh.		<input checked="" type="checkbox"/> Buying <input type="checkbox"/> Covered Writing <input type="checkbox"/> Uncovered Writing <input type="checkbox"/> Combination <input type="checkbox"/> None	<table border="0"> <tr> <th>Equity</th> <th>Index</th> </tr> <tr> <td><input checked="" type="checkbox"/> Buying</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Covered Writing</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Uncovered Writing</td> <td><input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Combination</td> <td><input type="checkbox"/></td> </tr> </table>	Equity	Index	<input checked="" type="checkbox"/> Buying	<input type="checkbox"/>	<input type="checkbox"/> Covered Writing	<input type="checkbox"/>	<input type="checkbox"/> Uncovered Writing	<input type="checkbox"/>	<input type="checkbox"/> Combination	<input type="checkbox"/>
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<input type="checkbox"/> Covered Writing	<input type="checkbox"/>																								
<input type="checkbox"/> Uncovered Writing	<input type="checkbox"/>																								
<input type="checkbox"/> Combination	<input type="checkbox"/>																								

\* REQUIRES MARGIN AGREEMENT

This agreement is intended to cover the respective rights and obligations of Stephens Inc. (Stephens) and the undersigned (Customer) in connection with Puts and Calls which Stephens may handle, purchase, and/or endorse for the account of Customer. In consideration of Stephens handling such business, Customer agrees as follows:

Customer agrees that in connection with options transactions the account of Customer shall be handled in accordance with the Rules of the Chicago Options Exchange, other options exchanges, the National Association of Securities Dealers (NASD), the New York Stock Exchange (NYSE), or Options Clearing Corporation. Customer further agrees that Customer will not, acting alone or in concert with others, (a) effect a transaction in any contract if as a result of such transaction Customer would, acting alone or in concert with others, directly or indirectly, hold or control an aggregate position in excess of the position limits covering the same underlying security as may be fixed from time to time by the Chicago Board Options Exchange, other options exchanges, the NASD, and the NYSE, or (b) exercise a position in any option contract if Customer, acting alone or in concert with others, directly or indirectly, has or will have exercised within any five consecutive business days aggregate positions in excess of the exercise limits for the class of options as may be fixed from time to time by the Chicago Board Options Exchange, other options exchanges, the NASD, and the NYSE.

COMP

<div style="border: 1px solid black; width: 100%; height: 100%;"></div>	<div style="border: 1px solid black; width: 100%; height: 100%;"></div>	<div style="border: 1px solid black; width: 100%; height: 100%;"></div>
<p><i>S-1A-QS</i></p> <p>Date _____</p>	<p><i>S-1B-QS</i></p> <p>Date _____</p>	<p><i>S-1C-QS</i></p> <p>Date _____</p>



STEPHENS INC.  
NEW ACCOUNT APPLICATION

MEM  
SIP  
NYS

ACCOUNT NO. [REDACTED]

DATE OPENED 5-15-95

TRANSFERRED FROM

OFFICE NO. 03A

R.R. NO.

Account Name

Social Security or Tax I.D. Number

Joint Account Name or Name of Minor if Custodial Account (Please Indicate)

Minor's Social Security Number Date of Birth

Home Telephone Number

Business Telephone Number

Legal Address (P.O. Box not acceptable)

City

State

Zip Code

Mailing Address (if different from legal address)

City

State

Zip Code

For Personal Accounts (if self-employed, state nature of business)

Employed By

Occupation

Joint Account Holder Employed By

Occupation

Business Address

Business Address

Occupational Status if not employed (Retired, Student, etc.)

Occupational Status if not employed (Retired, Student, etc.)

Date of Birth

Citizenship

Non-Resident Alien? (If Yes, W-8 required)

☐ Yes ☒ No

Date of Birth

Citizenship

Non-Resident Alien? (If Yes, W-8 required)

☐ Yes ☐ No

Applicant's

Annual Income

- ☐ A = Under 25,000  
☐ B = 25,000 - 50,000  
☐ C = 50,000 - 100,000  
☐ D = 100,000 - 250,000  
☒ E = Over 250,000

Net Worth

- ☐ A = 0 - 25,000  
☐ B = 25,000 - 50,000  
☐ C = 50,000 - 75,000  
☐ D = 75,000 - 100,000  
☐ E = 100,000 - 250,000  
☐ F = 250,000 - 500,000  
☒ G = Over 500,000

Investment Objectives

- ☐ A = Income  
☐ B = Preservation of Capital  
☐ C = Capital Appreciation  
☒ D = Speculation  
☐ E = Other

Joint Account Holder's

Annual Income

- ☐ A = Under 25,000  
☐ B = 25,000 - 50,000  
☐ C = 50,000 - 100,000  
☐ D = 100,000 - 250,000  
☐ E = Over 250,000

Net Worth

- ☐ A = 0 - 25,000  
☐ B = 25,000 - 50,000  
☐ C = 50,000 - 75,000  
☐ D = 75,000 - 100,000  
☐ E = 100,000 - 250,000  
☐ F = 250,000 - 500,000  
☐ G = Over 500,000

Banking Reference

Bank/Branch

City

State

Prior Investment Experience?

BANK OF AMERICA

IRONY

TX

☒ Yes ☐ No Years

Account Information

Type of Account to be Opened:

- ☒ Cash ☒ Margin (Please Complete A Margin Agreement) ☒ Option (Please Complete An Option Agreement)

Type of Account Ownership

\* Please forward necessary documents.

- ☒ Individual ☐ Corporation\* (include corp. resolution) ☐ Partnership\* (include partnshp. agreement) ☐ Trust\* (include copy of trust)  
☐ Joint Account ☐ ERISA ☐ Investment Club\* (include inv. club papers) ☐ Advisor or Outside Managed\* (investment advisory letter)  
☐ Keogh ☐ Hedge Fund ☐ Association or Non-Corporate Organization\* (please provide resolution) ☐ Custodian (include minor's SS# & Date of Birth)  
☐ SDIRA ☐ Estate\* (include estate papers) ☐ Other

Service Instructions

When Buying Securities

☐ Deliver Customer Name

☒ Hold Certificates

Settlement Instructions

☐ Settle by check

☒ Purchase/Redeem Money Market Fund

(Name of Fund)

Cash Dividends/Interest

☐ Mail Check

☒ Hold in Account

Joint Account Ownership

It is the express intention of the undersigned that ownership of this account be vested in them as (check one):

☐ Joint tenants with rights of survivorship and not as tenants in common or as tenants by the entirety. In the event of the death of either or any of the undersigned, the entire interest in the Joint Account shall be vested in the survivor or survivors on the same terms and conditions as theretofore held, without in any manner releasing the undersigned or their estates from the liability provided for in this Agreement.

☐ Tenants in common. In the event of the death of either or any of the undersigned, the interests in the tenancy shall be equal unless otherwise specified immediately below.

If tenants in common, if interests are not to be equal, designate the percentage interest of each tenant

Name % Name % Name % City, State, Zip

Certification

A. Under penalties of perjury, I certify that (check one):

(1) ☒ The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me), and I am not subject to backup withholding either because I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding.

(2) ☐ The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me), and I am subject to backup withholding.

B. NO ☒ I do not want my name, address and securities positions disclosed to all the companies in which I own securities that are being held for me in this account.

C. If this account is being operated by a person other than the owner, a POWER OF ATTORNEY giving authorization must be attached.

D. I have reviewed the information contained on this Application and attest to the accuracy thereof.

E. THE PRODUCTS OFFERED (1) ARE NOT FDIC INSURED; (2) ARE NOT OBLIGATIONS OF A BANK; (3) ARE NOT GUARANTEED BY A BANK; AND (4) INVOLVE INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF PRINCIPAL.

F. I have read and agree to the terms and conditions of the Cash Account Agreement on the reverse of the Application.

I/WE UNDERSTAND THAT THE CUSTOMER AGREEMENT ON THE REVERSE OF THIS APPLICATION CONTAINS, IN NUMBERED PARAGRAPH 16, A PRE-DISPUTE ARBITRATION CLAUSE REQUIRING ALL DISPUTES UNDER THIS AGREEMENT TO BE SETTLED BY BINDING ARBITRATION. BY SIGNING BELOW CUSTOMER ACKNOWLEDGES RECEIVING A COPY OF THIS AGREEMENT.

X  
SI

5-16-95

Signature (Joint Account Holder)

Date

b6  
b7C

## CASH ACCOUNT AGREEMENT

To: Stephens Inc. ("Stephens")

In consideration of Stephens opening one or more accounts to the benefit of customer, customer agrees as follows:

1. The conduct of the account covered by this form is subject to the rules, regulations and procedures of the stock exchange, markets and clearing houses.

2. Customer agrees that any telephone conversation with Stephens may be recorded for security.

3. Each account covered by this form is a cash account and accordingly: (A) full cash payment for each purchase of securities or funds must be made at the time of purchase; (B) no sales are contemplated in any form; (C) no margin loan is provided in the preceding sense. Each item sold will at the same time be owned by the customer and, unless already pledged in the account, will be promptly delivered thereto, and (D) no cash payment will be made on account of any amount which may become due in order to meet necessary requests of customers to purchase or mark to market with respect to any securities purchased or sold.

4. If and whenever any payment or delivery has not been made as provided in the preceding paragraph, then without notice, any item held by Stephens Inc. for the account may, either separately or together with property of other parties, be pledged for any amount due Stephens Inc. and any item undelivered may be borrowed for the account in order to make delivery thereof against the sale. Moreover, whenever such payment or delivery shall not have been made, any or all items may without notice be sold or bought in for the account as Stephens Inc. may in its discretion determine.

5. In the event customer becomes indebted to Stephens Inc. by operation of this account, customer agrees to pay such indebtedness upon demand. Customer agrees to the liquidation of the assets in the account and to the payment of such indebtedness to pay the indebtedness to Stephens Inc. in the event customer fails to pay said indebtedness after demand is made by Stephens.

6. Customer agrees to reimburse Stephens Inc. for the reasonable costs of collection of any debt due and any unpaid deficiency in customer's account, including attorneys fees incurred by Stephens Inc.

7. Customer agrees to reimburse Stephens Inc. for all costs, losses or liabilities incurred by Stephens Inc. in the event upon the purchase or sale of any security, Stephens is unable to settle any transaction by reason of customer's failure to make payment or deliver securities in good form. Customer authorizes Stephens Inc. to take the necessary steps to complete the transaction.

8. Funds of the customer at any time held by Stephens Inc. pending the investment thereof may, whenever deemed advisable, be deposited by them, as agent of the customer, either separately or together with funds of other customers in any bank.

9. The customer will designate all orders for the sale of securities as "long" and such designation shall be a certification within the meaning of the "Short Sales" rules under Section 10 of the Securities Exchange Act of 1934 that the security is owned by the customer and either (i) that it has been forwarded to the account or (ii) that it is then impractical to deliver it, but that the customer will deliver it to the account as soon as possible without undue inconvenience or expense.

10. The customer represents and warrants that no other person has any interest in this account (other than any community interest that the spouse of the customer may have by operation of law), and will hold Stephens Inc. harmless from any loss, damage, or liability arising from the conduct of the account as provided herein.

11. Whenever any default by the customer shall exist, Stephens Inc. may, without notice, cancel any order received.

12. The account and the provisions therefor shall not be affected by transfers thereof by Stephens Inc. to successors and assigns or by further transfers by such successors and assigns; and such provisions shall continue to be binding regardless of death or incompetency of the customer or transfers to executors, administrators, heirs, devisees, successors, and assigns of the customer.

13. Customer agrees Stephens Inc. shall not be liable for loss caused directly or indirectly by war, natural disasters, government restrictions, exchange or market rulings or other conditions beyond its control.

14. Customer agrees not to buy or sell any securities of a corporation of which customer is an affiliate or sell any restricted securities except in compliance with applicable laws and regulations and upon notice to Stephens Inc. that the securities are restricted.

15. The customer agrees with the provisions above stated with respect to the customer's cash account. Customer agrees to notify Stephens Inc. in writing if there is a material change in customer's financial position or investment objectives. Customer certifies the information contained on the reverse side of this agreement is true and correct to the best of his knowledge.

16. This agreement is governed by the laws of the State of Arkansas.

17. **JOINT ACCOUNTS.** In consideration of Stephens carrying a joint account for the undersigned, the undersigned jointly and severally agree that each of them shall have authority on behalf of the joint account to buy, sell (including short sales) and otherwise deal in, through Stephens as broker, stocks, bonds and other securities on margin or otherwise; to receive on behalf of the joint account demands, notices, confirmations, reports, statements of account and communications of every kind; to receive on behalf of the joint account money, securities and property of every kind and to dispose of same; to make on behalf of the joint account agreements relating to any of the foregoing matters and to terminate or modify same or waive any of the provisions in respect; and generally to deal with Stephens on behalf of the joint account as fully and completely as if he alone were interested in said account, all without notice to the other or others interested in said account. Stephens is authorized to follow the instructions of any of the undersigned in every respect concerning the said joint account with Stephens and to make deliveries to any of the undersigned, or upon his instructions, of any or all securities in said joint account, and to make payments to any of the undersigned, or upon his order, of any of all monies at any time or from time to time in the said joint account as he may order and direct, even if such deliveries and/or payments shall be made to him personally, and not for the joint account of the undersigned. In the event of any such deliveries of securities or payments of monies to any of the undersigned as aforesaid, Stephens shall be under no duty or obligation to inquire into the purpose or propriety of any such demand for delivery of securities or payment of monies, and Stephens shall not be bound to see to the application of disposition of the said securities and/or monies so delivered or paid to any of the undersigned or upon his order. The authority hereby conferred shall remain in force until written notice of the revocation addressed to Stephens is delivered at Stephens' main office.

Each customer will jointly and severally be fully liable for any amounts due Stephens under this Agreement. Each customer further agrees that in the event of the death of either or any customer party to the Joint Account, the survivor or survivors shall immediately provide Stephens written notice thereof, and Stephens may, before or after receiving such notice, take such proceeding, require such papers and inheritance or estate tax waivers, retain such portion of and/or restrict transactions in the Joint Account as Stephens may deem advisable to protect itself against any tax, liability, penalty or loss under any present or future laws or otherwise. The estate of any customer party to the Joint Account who shall have died shall be liable and each survivor shall continue liable, jointly and severally, to Stephens for any net debit balance or loss in said account in any way resulting from the completion of transactions initiated prior to the receipt by Stephens of the written notice of the death of the decedent or incurred in the liquidation of the account or the adjustment of the interests of the respective parties.

It is the express intention of the Customers party to the Joint Account that ownership of this account be vested in them as shown on the reverse of this agreement under "Joint Account Ownership". If interests are not to be equal, the designation of the percentage of interest of each tenant shall be as shown on the reverse of this agreement under "Joint Account Ownership". This provision shall not release any Customer party to the Joint Account or his estate from the liability provided for in this agreement.

### 18. ARBITRATION DISCLOSURES

- ARBITRATION IS FINAL AND BINDING ON THE PARTIES.
- THE PARTIES ARE WAIVING THEIR RIGHT TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO JURY TRIAL.
- PRE-ARBITRATION DISCOVERY IS GENERALLY MORE LIMITED THAN AND DIFFERENT FROM COURT PROCEEDINGS.
- THE ARBITRATORS' AWARD IS NOT REQUIRED TO INCLUDE Factual Findings OR LEGAL REASONING AND ANY PARTY'S RIGHT TO APPEAL OR TO SEEK MODIFICATION OF RULINGS BY THE ARBITRATORS IS STRICTLY LIMITED.
- THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.
- NO PERSON SHALL BRING A PUTATIVE OR CERTIFIED CLASS ACTION TO ARBITRATION, NOR SEEK TO ENFORCE ANY PRE-DISPUTE ARBITRATION AGREEMENT AGAINST ANY PERSON WHO HAS INITIATED IN COURT A PUTATIVE CLASS ACTION; OR WHO IS A MEMBER OF A PUTATIVE CLASS WHO HAS NOT OPTED OUT OF THE CLASS WITH RESPECT TO ANY CLAIMS ENCOMPASSED BY THE PUTATIVE CLASS ACTION UNTIL: (i) THE CLASS CERTIFICATION IS DENIED; OR (ii) THE CLASS IS DECERTIFIED; OR (iii) THE CUSTOMER IS EXCLUDED FROM THE CLASS BY THE COURT. SUCH FORBEARANCE TO ENFORCE AN AGREEMENT TO ARBITRATE SHALL NOT CONSTITUTE A WAIVER OF ANY RIGHTS UNDER THIS AGREEMENT EXCEPT TO THE EXTENT STATED HEREIN.

#### ARBITRATION

THE CUSTOMER AGREES, AND BY CARRYING AN ACCOUNT FOR THE CUSTOMER STEPHENS AGREES THAT ALL CONTROVERSIES WHICH MAY ARISE BETWEEN THE PARTIES CONCERNING ANY TRANSACTION OR THE CONSTRUCTION, PERFORMANCE, OR BREACH OF THIS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES PERTAINING TO SECURITIES AND OTHER PROPERTY, WHETHER ENTERED INTO PRIOR, ON OR SUBSEQUENT TO THE DATE HEREOF, SHALL BE DETERMINED BY ARBITRATION. ANY ARBITRATION UNDER THIS AGREEMENT SHALL BE CONDUCTED PURSUANT TO THE FEDERAL ARBITRATION ACT AND THE LAWS OF THE STATE DESIGNATED IN PARAGRAPH 16, BEFORE THE AMERICAN ARBITRATION ASSOCIATION, OR BEFORE THE NEW YORK STOCK EXCHANGE, INC. OR AN ARBITRATION FACILITY PROVIDED BY ANY OTHER EXCHANGE OF WHICH STEPHENS IS A MEMBER, OR THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. OR THE MUNICIPAL SECURITIES RULEMAKING BOARD AND IN ACCORDANCE WITH THE RULES OBTAINING OF THE SELECTED ORGANIZATION. THE CUSTOMER MAY ELECT IN THE FIRST INSTANCE WHETHER ARBITRATION SHALL BE BY THE AMERICAN ARBITRATION ASSOCIATION, OR BY AN EXCHANGE OR SELF-REGULATORY ORGANIZATION OF WHICH STEPHENS IS A MEMBER, BUT IF THE CUSTOMER FAILS TO MAKE SUCH ELECTION, BY REGISTERED LETTER OR TELEGRAM ADDRESSED TO STEPHENS AT STEPHENS' MAIN OFFICE, BEFORE THE EXPIRATION OF TEN DAYS AFTER RECEIPT OF A WRITTEN REQUEST FROM STEPHENS TO MAKE SUCH ELECTION, THEN STEPHENS MAY MAKE SUCH ELECTION. THE AWARD OF THE ARBITRATORS, OR OF THE MAJORITY OF THEM, SHALL BE FINAL AND JUDGEMENT UPON THE AWARD RENDERED MAY BE ENTERED IN ANY COURT, STATE OR FEDERAL, HAVING JURISDICTION.

Universal File Case Number 196C-LR-38302-1A2

Field Office Acquiring Evidence LR

Serial # of Originating Document \_\_\_\_\_

Date Received 10/2/97

From \_\_\_\_\_  
(Name of Contributor)

\_\_\_\_\_  
(Address of Contributor)  
Stephens Inc

By \_\_\_\_\_  
(Name of Special Agent)

To Be Returned ☐ Yes ☒ No

Receipt Given ☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)

Federal Rules of Criminal Procedure

☐ Yes ☒ No

Title: \_\_\_\_\_

Reference: FD 302 dated 10/3/97  
(Communication Enclosing Material)

Description: ☐ Original notes re interview of

Copies of documents relating  
to purchase + sale of Dell  
Stock for \_\_\_\_\_

b6  
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b6  
b7C

#2

KEEP ATTACHED TO EXHIBIT  
LR# 196C-LR-38302-1A2



111 CENTER STREET  
LITTLE ROCK, ARKANSAS 72201  
NATIONAL WATS 1-800-643-9691  
ARKANSAS WATS 1-800-482-6355

- MEMBER -  
NEW YORK STOCK EXCHANGE  
CHICAGO STOCK EXCHANGE  
CHICAGO BOARD OPTIONS EXCHANGE  
SECURITIES INVESTORS PROTECTION CORPORAT

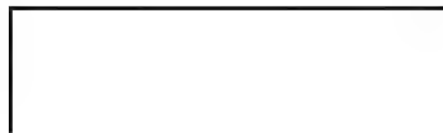
										CODES			
ELIGIBILITY	SYMBOL	ACCOUNT NO.	TRANS NO	MKT	CAP	TRADE DATE	SETTLE DATE	GFC	AE				
D	DELL		1	38273	N	1	24	08/21/97	08/26/97	03Y	0495	F	
YOU BOT	QUANTITY	CUSIP NUMBER	SECURITY DESCRIPTION							COUPON/MATURITY			
	10000		DELL COMPUTER CORPORATION										

*Citicorp*

UNSOLICITED ORDER

890,000

PRICE	PRINCIPAL	COMMISSION	INTEREST	SEC	MISC	HANDLING	NET AMOUNT
86 1/2	865,000.00	600.00				2.00	865,602
SPECIAL DELIVERY INSTRUCTIONS							



2334 VSG 4015 R.R./COMPARISON



REVISED 8-21-97

09/08/97(MON) 13:25 [TX/RX NO 7339]



# Stephens Inc.

FILE COPY

#5

September 8, 1997

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b7C

VIA CERTIFIED MAIL NO. P 124 296 454  
AND REGULAR MAIL

RE: Your Purchase of 10,000 Shares of DELL

Dear

As you are aware, Stephens Inc. executed your order to purchase 10,000 shares of the common stock of Dell Computer Corporation (DELL) on August 21, 1997. For this order you owed Stephens Inc. \$865,602.00 in accordance with the confirmation of your order sent to you that same day. Payment was due no later than August 26, 1997, the settlement date set forth on the confirmation.

To date, you have failed to make any payment in connection with this transaction.

As a result, in order to avoid any additional market risk on the DELL stock, Stephens Inc. sold your position on August 28, 1997. The proceeds of the sale were \$830,470.30 as set forth on the confirmations sent to you on August 28, 1997. The loss incurred by this sequence of transactions is \$35,131.70, for which you have full responsibility.

Stephens Inc. hereby demands that you immediately pay \$35,131.70 to Stephens Inc.

Please be advised that Stephens Inc. intends to take all such legal actions as it deems necessary or appropriate to pursue this matter, if the demand set forth above is not met promptly.

Very truly yours,

b6  
b7C

111 CENTER STREET  
LITTLE ROCK, ARKANSAS 72201  
NATIONAL WATS 1-800-643-9691  
ARKANSAS WATS 1-800-482-6355

- MEMBER -  
NEW YORK STOCK EXCHANGE  
CHICAGO STOCK EXCHANGE  
CHICAGO BOARD OPTIONS EXCHANGE  
SECURITIES INVESTORS PROTECTION CORPORATION

ELIGIBILITY	SYMBOL	ACCOUNT NO.	TRANS NO	MT	CD	TRADE DATE	SETTLE DATE	QFC	AF
D	DELL		1	62728	N	1	42 08/28/97	09/03/97	03Y 0495
YOU SLD	QUANTITY	CUSIP NUMBER	SECURITY DESCRIPTION						
	4000		DELL COMPUTER CORPORATION						

MULTIPLE TRADE  
TO AVOID WITHHOLDING SEND W-  
UNSOLICITED ORDER

PRICE	PRINCIPAL	COMMISSION	INTEREST	SEC	MISC	HANDLING	NET AMOUNT
83	332,000.00			11.07			331,988
SPECIAL DELIVERY INSTRUCTIONS							

R.R./COMPARISON  
6818 VAC 4020

b6  
b7C

111 CENTER STREET  
LITTLE ROCK, ARKANSAS 72201  
NATIONAL WATS 1-800-643-9691  
ARKANSAS WATS 1-800-482-6355

- MEMBER -  
NEW YORK STOCK EXCHANGE  
CHICAGO STOCK EXCHANGE  
CHICAGO BOARD OPTIONS EXCHANGE  
SECURITIES INVESTORS PROTECTION CORPORATION

ELIGIBILITY	SYMBOL	ACCOUNT NO.	TRANS NO	MT	CD	TRADE DATE	SETTLE DATE	QFC	AF
D	DELL		1	62727	N	1	42 08/28/97	09/03/97	03Y 0495
YOU SLD	QUANTITY	CUSIP NUMBER	SECURITY DESCRIPTION						
	4000		DELL COMPUTER CORPORATION						

MULTIPLE TRADE  
TO AVOID WITHHOLDING SEND W-  
UNSOLICITED ORDER

PRICE	PRINCIPAL	COMMISSION	INTEREST	SEC	MISC	HANDLING	NET AMOUNT
83 1/16	332,250.00			11.08			332,238
SPECIAL DELIVERY INSTRUCTIONS							

b6  
b7C

R.R./COMPARISON  
6817 VAC 4018

REVISED 4-21-87

111 CENTER STREET  
LITTLE ROCK, ARKANSAS 72201  
NATIONAL WATS 1-800-643-9691  
ARKANSAS WATS 1-800-482-6355

- MEMBER -  
NEW YORK STOCK EXCHANGE  
CHICAGO STOCK EXCHANGE  
CHICAGO BOARD OPTIONS EXCHANGE  
SECURITIES INVESTORS PROTECTION CORPORATION

ELIGIBILITY	SYMBOL	ACCOUNT NO.	TR	TRANS NO	MKT	CD	TRADE DATE	SETTLE DATE	CHC	AE
D	DELL		1	62726	N	1	42 08/28/97	09/03/97	03Y	0495
YIELD	QUANTITY	CHISEL NUMBER	SECURITY DESCRIPTION							
SLD	2000		DELL COMPUTER CORPORATION							

TO AVOID WITHHOLDING SEND W-9  
UNSOLICITED ORDER

PRICE	PRINCIPAL	COMMISSION	INTEREST	SEC	WSEC	HANDLING	NET AMOUNT
83 1/8	166,250.00			5.55		2.00	166,242

SPECIAL DELIVERY INSTRUCTIONS

6816 VAC 0001

R.R./COMPARISON

# MEMO

**Date:** September 3, 1997

**To:**

**From:**

**Subject:**

Home Phone:

Mobil Phone:

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Thursday, August 21<sup>st</sup>

[redacted] called the [redacted] main phone number, and the call was routed to me. He talked about what a good firm Stephens Inc. was and that he would like to have an account here. He informed me that he normally bought 10m to 20m shares of stock, loved high-tech stocks, and considered himself a short-term trader. [redacted] opened the account that afternoon. He called back the same afternoon wanting to talk about Dell and Intel. After some deliberation, he gave me an unsolicited order to buy 10m shares of Dell which was filled at 86 1/2; [redacted] seemed pleased with this level. This trade occurred at approximately 2:10pm. After this the market got hit, and Dell Closed at 85 3/8. We talked approximately four times that afternoon. He did not seem concerned about the drop in price. He said he would fax the new account information that afternoon, and call [redacted] for wiring instructions the next day. After not receiving the new account application, I called compliance and spoke with [redacted] to see if they could check his social security number. She informed me they did not have this capability. I went to [redacted] office to inform him of the trade. [redacted] responded that his hands were tied and we would have to wait to see if [redacted] would pay for the trade.

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[redacted] called me at home Thursday night to reassure me that everything was okay, and that he would call [redacted] Friday morning for the wiring instructions.

Friday, August 22<sup>nd</sup>

I called [redacted] about 7:15am to let him know that S&P futures were down 15 points. He told me that he was not worried and would be wiring the money today along with faxing the new account application back to Stephens. He called back around 1:55pm on Friday to tell me he had just missed the deadline to wire the money and that he would send me a check by Federal Express. He called me back on my car phone and ensured me not to worry. He told me again that his wedding was Sunday night.

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**Monday, August 25th**

[ ] called me Monday morning from the Adolphus Hotel to check on the market. I asked him about the Federal Express tracking number so we could locate the package. He told me that he didn't have it with him; he said the tracking number was at his home and he would call me back with this information later in the day. After our conversation, I called the Adolphus Hotel and spoke with the general manager, [ ]. He confirmed that [ ] was registered guest of the hotel, and that he had paid cash for all his expenditures.

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I felt better about the trade until another broker told me about an individual named [ ] from Dallas, TX. [ ] tried to do the same thing to him back in May of 1995. I then discovered later that afternoon, from an attorney that is a friend of mine, that the social number that [ ] gave to [ ] over the phone was registered to an individual in Brownsville, TX. I then took [ ] personal account file into [ ] office where we discussed the information I had.

[ ] called me at home Monday night and gave me the Fed wire #0429 coming from Citicorp.

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**Tuesday, August 26<sup>th</sup>**

The Fed wire #0429 was researched by [ ] in which several phone calls were made to Citicorp in an effort to find this wire. We could not locate the wire.

[ ] called back into Stephens. I told him that we had not received the wire transfer. He seemed surprised that it had not arrived, and assured me once again that he was faxing the new account application. I asked him about the Federal Express tracking number but he seemed more concerned about the wire and that I should accept the first one that arrived.

**Wednesday, August 27<sup>th</sup>**

It was agreed upon by [ ] and me that I would call the customer to inform him that if the funds were not in the account by Thursday afternoon, he would be sold out and sued for the balance. After several attempts to reach him personally, I left this message on his answering machine at his home phone number.

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b7C

Thursday, August 28<sup>th</sup>

After not receiving the funds, [ ] was sold out at 83.05 per share. This generated a loss of approximately \$35,000.

b6  
b7C

Tuesday, September 2<sup>nd</sup>

I spoke with [ ] that morning and told him how important it was that he paid for the trade. He told me he intended to pay for the trade and that he had no intention of defrauding Stephens Inc. or me.

This same day I had a friend from Dallas go to [ ] alleged address to make sure it was a good address. The address was correct; it is registered [ ]. His name was verified as a tenant at this apartment, and his phone numbers are still active.

#6

# Stephens Inc.

FROM THE DESK OF

[Redacted]

8

[Redacted]

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2.60 - 2.35 Final Bolo

15,000

[Redacted]

[Redacted]  
[Redacted]  
470 - 1381  
[Redacted]  
[Redacted]  
[Redacted]

#6

Grand price

Car

Inte

Agency 3503 7624

5.3

10\*

11000

28\*

Savings of America 12:3  
Bank United 2,600

Investment Bankers  
111 Center Street • Suite 100 • Little Rock, Arkansas 72201-4430  
501-377-2156 Fax 501-377-2198

332,000  
332,250  
166,250

4 <sup>th</sup>	83 <del>1/8</del>
4 <sup>th</sup>	83 <del>1/8</del>
2 <sup>nd</sup>	83 <del>1/8</del>
83 <del>1/8</del>	



# Stephens Inc.

FROM THE DESK OF [REDACTED]

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*Chellars Review*

*9/2/75*

*fab*

*Scinches 75*

Investment Bankers

111 Center Street • Suite 100 • Little Rock, Arkansas 72201-4430  
501-377-2156 Fax 501-377-2198

Attn:

4 Pages

ACCOUNT NUMBER	0311	R.R. NO.	0426	SOC. SEC. NO.	TAX NO.	DATE	8-21-97
BIRTH DATE		BUSINESS PHONE		ONE	SDIRA CODE	ACCT. CLASS	11
TYPE OF ACCOUNT	<input checked="" type="checkbox"/> CASH	<input checked="" type="checkbox"/> MARGIN	<input type="checkbox"/> OPTION	<input type="checkbox"/> MONEY MKT.	<input type="checkbox"/> ADDRESS CHANGE	<input type="checkbox"/> INSTRUCTION CHANGE	<input type="checkbox"/> SALESMAN CHANGE FROM R/R
TRANSFER INST. CODES	BUY TRADE FUNDS SOURCE	SELL TRADE SECURITY SOURCE	SELL TRADE FUNDS SOURCE	DISPOSITION OF CASH DIVIDEND & INTEREST	DISPOSITION OF STOCK DIVIDEND	COMMISSION	
1 DELIVER CUSTOMER NAME	1 WILL REMIT - ALL TRADES FROM ACCOUNT	1 WILL DELIVER - ALL SALES FROM ACCOUNT	1 REMIT TO CUSTOMER	1 REMIT TO CUSTOMER	1 DELIVER CUSTOMER NAME	FIXED STOCK	
2 HOLD STREET NAME	2 SWEEP INTERNAL CREDIT INTEREST	2 FROM ACCOUNT	2 HOLD IN ACCOUNT	2 HOLD IN ACCOUNT	2 HOLD STREET NAME	FIXED BOND	
3 PAYMENT VS DELIVERY	3 PAYMENT VS DELIVERY	3 PAYMENT VS DELIVERY	3 SWEEP INTERNAL CREDIT INTEREST	3 MAIL DIVIDEND & INTEREST ONLY HOLD PRINCIPAL	3 SWEEP INTERNAL CREDIT INTEREST	DISCOUNT STOCK	
4 SPECIAL INSTRUCTIONS	4 SWEEP EXTERNAL MONEY FUND	4 PAYMENT VS DELIVERY	4 SWEEP EXTERNAL MONEY FUND	4 SWEEP EXTERNAL MONEY FUND	4 SWEEP EXTERNAL MONEY FUND	DISCOUNT BOND	
ACCOUNT PRIMARY CLASSIFICATION		NAME & ADDRESS		INSTITUTIONAL DELIVERY SYSTEM		ANNUAL INCOME	
ADVISOR OF OUTSIDE MANAGED FINANCIAL INSTITUTION & CREDIT UNION CORPORATION ERISA FIDUCIARY ERISA NON-FIDUCIARY ESTATE INDIVIDUAL CUSTOMER CUSTODIAN FOR MINORS (UTMA/UGMA) GUARDIAN INSURANCE COMPANY INVESTMENT CLUB JOINT ACCOUNT NON-CORPORATE ORGANIZATION PARTNERSHIP PRIME BROKER SORA - STEPHENS CUSTODIAN SEP - STEPHENS CUSTODIAN SORA - OUTSIDE CUSTODIAN (Stephens Inc. reporting) SORA/SEP/KEOGH-OUTSIDE CUSTODIAN (Outside reporting) TRUST		NAME & ADDRESS B 10m Bull at 86 1/2		DTC PARTICIPANT # INST ID #		PRIMARY JT-TENANT	
NOT ISSUE CODES - USER SWITCH 2 Employee Account Employee-Related Account Employee of Another Broker/Dealer or Institution Family Member of such Senior Officer of a bank, insurance co., investment co., investment advisory firm, hedge fund, investment corporation or any other institutional type account person who is supported directly or indirectly by a material interest by such person, or a person who is directly or indirectly responsible for buying or selling securities for such institution Officer of Broker/Dealer Senior Officer of Parent Bank		DUPL CONF TO [C] DUPL STATE TO [S] TRANSFER TO [T] PAY ON TO [D] DELIVERY INSTRUCTIONS [ ]		OTHER INTERESTED PARTIES PARTY A INST ID # ACCT. OTHER PARTY B INST ID # ACCT. OTHER		NET WORTH PRIMARY JT-TENANT	
DO YOU HAVE ANY DIRECT OR INDIRECT FINANCIAL INTEREST IN THIS ACCOUNT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		IS THIS CLIENT AN INDIVIDUAL? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		IF SO, PROVIDE EMPLOYEE'S NAME AND RELATIONSHIP		DEBIT/CREDIT BANK ACCOUNT (ACH) YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> IF YES, PROVIDE:	
WILL ANYONE OTHER THAN PRINCIPAL ENTER ORDERS OR HAVE AN INTEREST IN THIS ACCOUNT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		IF YES, WHO		LEGAL POWER ATTORNEY		BANK OR BROKER REFERENCE	
HOME LEGAL ADDRESS IF DIFFERENT FROM MAILING ADDRESS (P.O. BOX NOT ACCEPTABLE)		OCCUPATION OR TYPE OF BUSINESS		EMPLOYER		IS EMPLOYER OF ANY ACCOUNT HOLDER OR SPOUSE OF ANY ACCOUNT HOLDER A MEMBER OF NASD OR NYSE? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
SPOUSE NAME		SPOUSE EMPLOYMENT INFORMATION		TYPE OF BUSINESS		ACCOUNT NUMBER	
JT TENANT BIRTH DATE		JT TENANT OCCUPATION/EMPLOYER		JT TENANT BIRTH DATE		JT TENANT OCCUPATION/EMPLOYER	

Universal Case File Number 196C-LR-38302 -1A2

Field Office Acquiring Evidence LR

Serial # of Originating Document \_\_\_\_\_

Date Received 10/2/97

From \_\_\_\_\_

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Stephens Inc.  
(Address of Contributor)

By \_\_\_\_\_

(Name of Special Agent)

To Be Returned ☐ Yes ☒ No

Receipt Given ☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)

Federal Rules of Criminal Procedure

☐ Yes ☒ No

Title: \_\_\_\_\_

b6  
b7C

Reference: FD 302 dated 10/3/97

(Communication Enclosing Material)

Description: ☒ Original notes re interview of

\_\_\_\_\_

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/3/97

[redacted] white male, was contacted at his place of employment, STEPHENS, INC., 111 Center Street, Little Rock, Arkansas, telephone number (501) 377-8045. Also present during the interview was [redacted] and [redacted] for STEPHEN'S INC. After being advised of the official identity of the interviewing Agent and the nature of the interview, he provided the following information.

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Prior to beginning the interview, [redacted] provided a copy, labeled #1, of an in-depth memo dated 9/3/97, which he wrote concerning his contacts with [redacted]

[redacted] advised that on August 21, 1997, he was contacted by [redacted] regarding the purchase of some tech related stock. [redacted] explained to [redacted] that he was wealthy and considered himself a short-term trader. He also told [redacted] that he used a lot of different brokers like MERRILL LYNCH.

The stock situation was explained to [redacted] who then expressed interest in the DELL COMPUTER stock. After four (4) conversations between 1:00 p.m. and 3:00 p.m., [redacted] gave [redacted] an order to buy 10,000 shares of DELL stock.

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[redacted] explained that he had a verbal agreement with [redacted] for the purchase of the stocks. The terms of the verbal agreement were that an unsolicited order for 10,000 shares of DELL stock would be made. [redacted] would then contact [redacted] the following morning with wiring instructions for payment. [redacted] also negotiated the fee with [redacted] as a part of the contract. [redacted] explained that the verbal agreement means that [redacted] had an agreement with STEPHENS INC. and he was obligated to pay for the stock. [redacted] added that the regulatory standard for payment was three (3) business days to pay.

During the conversations with [redacted] recalled that he spoke like he wanted a long-term relationship. [redacted]

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Investigation on 10/2/97 at Little Rock, Arkansas

File # 196C-LR-38302 - 2 Date dictated 10/3/97

by SA [redacted]

196C-LR-38302

Continuation of FD-302 of [REDACTED]

, On 10/2/97, Page 2

b6  
b7C

[REDACTED] asked for his [REDACTED] mobile and home telephone numbers which [REDACTED] provided. [REDACTED] also told [REDACTED] that he was getting married and he would be having his wedding reception at the ADOLPHUS HOTEL in Dallas, Texas. [REDACTED] alluded to him that he was French although, [REDACTED] advised that [REDACTED] sounded like he was from the Middle East. [REDACTED] said that [REDACTED] called him from the ADOLPHUS HOTEL during one of their conversations and told him that he was checked in at the Hotel. After the call ended, [REDACTED] immediately called the Hotel and confirmed that [REDACTED] was registered. He learned from [REDACTED] that [REDACTED] had paid his bill in cash.

[REDACTED] advised that he did place the order for the 10,000 shares of the DELL stock. He contacted trader [REDACTED] who called the Over the Counter stock exchange in New York, New York and purchased the stock. The stocks were positively filled and [REDACTED] subsequently called [REDACTED] and told him the order was filled. [REDACTED] accepted the order was very excited about it.

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On 8/22/97, [REDACTED] called [REDACTED] and explained that the stock had gone down in price. [REDACTED] did not seem concerned about the loss. Further, STEPHENS INC. had still not received payment from [REDACTED] told him that he was wiring the money and faxing the application to him. As of the close of business on 8/22/97, [REDACTED] had still not paid for his stock.

On 8/25/97, [REDACTED] called [REDACTED] from the ADOLPHUS HOTEL. At that time, [REDACTED] asked [REDACTED] for the FEDERAL EXPRESS tracking number for the payment that he supposedly sent. [REDACTED] told him that he did not have the number and that he would call later with the number. [REDACTED] called [REDACTED] at home that evening and provided the tracking number.

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[REDACTED] advised that he spoke with another broker regarding this situation who advised that he had a similar experience. In May, 1995, an individual named [REDACTED] from Dallas, Texas tried to do the same thing that [REDACTED] was doing.

The next day, 8/26/97, [REDACTED] provided the tracking number to [REDACTED] (LNU) who could not locate the wire transfer. [REDACTED] called [REDACTED] and was concerned that the wire had not been

196C-LR-38302

Continuation of FD-302 of [REDACTED]

, On 10/2/97, Page 3

b6  
b7C

received. [REDACTED] advised that was the last contact that he had with [REDACTED]

After discussing this matter with his superior, it was decided that STEPHENS INC. had to sell the stock due to the fact that they had given [REDACTED] the trade date plus three days to make payment. [REDACTED] stated that he notified [REDACTED] on 8/27/97 and left a message that the DELL stock was going to be sold.

On 8/28/97, [REDACTED] entered the order to sell the stock, as required by regulatory rules, for lack of payment from [REDACTED]. STEPHENS INC. suffered a loss of \$35,131.70. [REDACTED] advised that what [REDACTED] did was "free riding" which is illegal.

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At that time, [REDACTED] provided copies of documents pertaining to the deal with [REDACTED]. The document labeled #2 is a confirmation for the purchase of the DELL stock. Ten thousand DELL shares were purchased at \$86 1/2 per share, for a total of \$865,000 plus a \$600.00 commission fee. The document labeled #3 is an account opening worksheet. The documents labeled #4a and #4b are the confirmation of the sale of the DELL stock. The document labeled #5 is a demand for payment letter, dated 9/8/97, to [REDACTED] from [REDACTED] STEPHENS INC.

[REDACTED] provided the copy of document labeled #6. He described this document as his personal notes which he made during his conversation with [REDACTED]. He added that he checked the social security number provided by [REDACTED] and it came back to [REDACTED]

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[REDACTED] provided the following information concerning [REDACTED]

Name  
DOB  
Address

Telephone  
Numbers

Banks

SSAN

(Possibly a fax number)

SAVINGS OF AMERICA  
BANK UNITED

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/10/97

On 10/8/97, [redacted] and [redacted] STEPHENS INC., provided via U. S. Mail, a copy of a file pertaining to [redacted]

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[redacted] stated in a letter dated 10/6/97, that this transaction may also have been a "free riding" transaction. Further, an individual working for STEPHENS INC. thought [redacted] [redacted] telephone voice was very similar to [redacted] telephone voice.

The copies of documents provided are a STEPHENS INC. New Account Application, Cash Account Agreement, a Disclosure of Credit Terms on Transactions, a Margin Account Agreement, and a Customer Option Agreement.

Investigation on 10/8/97 at Little Rock, Arkansas

File # 196C-LR-38302-3 Date dictated 10/10/97

by SA [redacted]

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In Reply, Please Refer to

File No. 196C-LR-38302

## FBI CASE STATUS FORM

Date: 10/22/1997To: Honorable Paula J. Casey, Little Rock, Arkansas

(Name and Address of USA)

From: [Redacted] Little Rock

(Name of Official in Charge and Field Division)

(Signature of Official in Charge)

RE: [Redacted]

(Name of Subject)

Unk

Age

M

Sex

You are hereby advised of action authorized by

AUSA

(Name of USA or AUSA)

on information submitted by Special Agent

(Name)

on 10/22/97  
(Date)

(Check One)

- ☒ Request further investigation
- ☐ Immediate declination
- ☐ Filing of complaint
- ☐ Presentation to Federal Grand Jury
- ☐ Filing of information
- ☐ Other

For violation of Title 18, USC, Section(s) 1343

Synopsis of case: [Redacted] telephonically contacted Stephen's Inc. and ordered 10,000 shares of Dell Stock on 8/21/97. [Redacted] had a verbal agreement with [Redacted] a broker for Stephens, Inc., to purchase the stocks and wire transfer the money on the following day. On 8/22/97, the money never arrived. When contacted by Stephens, [Redacted] said he had wired the money and it should arrive at anytime. Once again the money never arrived. Approximately one week later, Stephens suffered a loss of approximately \$35,000 as they had to sell the stock.

[Redacted] believed that [Redacted] was "freeriding". He described freeriding further as purchasing stocks without paying

1 - Addressee

② - Little Rock (2 - 196C-LR-38302) (SQ 3) (P)

(3)

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196C-LR-38302 4



for them, selling them at a profit, and then paying for the stocks out of the profits. In this case, [ ] had intended for the market to rise and he would sell immediately making a quick profit and if that did not happen, Stephens, Inc. would suffer the loss, which is what happened.

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It is requested that this matter be reviewed by AUSA [ ] for a prosecutive opinion.

(12/31/1995)

# FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 11/12/1997

To: Little Rock

From: Little Rock

Sq. 3

Contact: SSA [REDACTED]

b6  
b7C

[REDACTED] Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 196C-LR-38302 (Pending)

Title: UNSUB(S);

[REDACTED]  
FBW

**Synopsis:** To place the above captioned investigation into the unaddressed work file for white collar crime, 66F-2291 Sub 4.

**Details:** In accordance with MIOG 2-5.2.5, please close the above captioned case and open it under an unaddressed work file number. This case will have a priority of 5 with estimated months to resolve of 6.

♦♦

*Done*  
*Cy*  
*Close & place*  
*in 66F*  
*11/14/97*  
*Place in*  
*unaddressed*  
*status*

UNCLASSIFIED  
DATE 11/15/97  
BY [REDACTED]

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b7C  
b7E

196C-LR-38302 - 5

In Reply, Please Refer to

File No. 196C-LR-38302

## FBI CASE STATUS FORM

Date: 08/11/1998

To: Honorable Paula J. Casey, Little Rock, Arkansas

(Name and Address of USA)

From:

[Redacted]Little Rock

(Name of Official in Charge and Field Division)

(Signature of Official in Charge)

RE:

[Redacted]

(Name of Subject)

Unk

Age

M

Sex

You are hereby advised of action authorized by

AUSA[Redacted]

(Name of USA or AUSA)

on information submitted by Special Agent

[Redacted]

(Name)

on

8/10/98

(Date)

(Check One)

- ☐ Request further investigation
- ☒ Immediate declination
- ☐ Filing of complaint
- ☐ Presentation to Federal Grand Jury
- ☐ Filing of information
- ☐ Other

**UPLOADED**

W/TEXT ☒ W/O TEXT ☐

LEADS SET ☐

BY [Redacted] DATE 8/11/98

For violation of Title 18, USC, Section(s) 1343

Synopsis of case:

[Redacted] telephonically ordered 10,000 shares of Dell Stock from [Redacted] Stephens, Inc. [Redacted] did not have an account with Stephens, Inc., but stated that he would wire transfer the money for the transaction. The stock fell in price, [Redacted] never sent the money, and after selling the stock, Stephens, Inc., lost \$35,000.

This case was opened and assigned to Special Agent (SA) [Redacted] and Assistant United States Attorney (AUSA) [Redacted]. Because of the workload of Squad 3 and the reassignment of SA [Redacted] the case was placed in a pending inactive status. After a review of the file and the current and anticipated workload of Squad 3, SSA [Redacted] discussed the case

1 - Addressee

② - Little Rock (196C-LR-38302) (SQ 3) (P)

(3) [Redacted]

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196C-LR-38302-7

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with First United States Attorney (FAUSA) [redacted] FAUSA  
[redacted] advised that he would decline prosecution and that  
[redacted] should pursue civil remedies against [redacted]

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NOTE: Hand print names legibly; handwriting satisfactory for remainder.

Indices: ☐ Negative ☒ See below

Subject's name and aliases

Character of case

196C FBW

Complainant ☐ Protect Source

Complaint received

☒ Personal ☒ Telephonic Date 9/9/97 Time 3:00 pm

Address of Subject

Complainant's address and telephone number

Stephens Inc. Little Rock, Ar  
501-377-8045

Complainant's DOB

SSAN

Race

Sex

M

Subject's Description

Race

Sex

☒ Male

☐ Female

Height

Hair

Build

Birth Date and Birthplace

Age

40

Weight

Eyes

Complexion

Social Security Number

Scars, marks and other data

Facts of complaint

[redacted] is the [redacted] for Stephens Inc. in Little Rock. [redacted] advised a man called Stephens Inc. by the name of [redacted] claiming to have a multi-million dollar net worth, and made his living trading securities, usually 10,000 to 20,000 shares at a time. [redacted] went on to claim to have made approximately \$500,000 in profits the previous year. Later that same day, [redacted] called the same broker, [redacted] and ordered 10,000 shares of Dell Computer Corporation stock. This stock was not what the broker had advised to buy. It was late in the day, and [redacted] said he would forward the money the following day. The following day the money never arrived.

When contacted by Stephens, [redacted] said he had wired the money and it should arrive at any time, once again the money never arrived. Approximately one week later Stephens liquidated the account and because of market fluctuations, Stephens suffered a loss of approximately \$35,000. [redacted] thinks [redacted] had intended for the market to rise and sell immediately making a quick profit, and if this did not happen, Stephens Inc. would suffer the loss which is what happened.

The actual cost of the Dell Computer stock was \$865,000. The stock was at 86 1/2 at the time of the purchase.

Do not write in this space.

7AUSA requested further investigation to include obtaining possible all records of subject contact w/ [redacted] 9:25AM on 9/11/97

196C code 99  
SA [redacted]

Titled as above

UPLOADED

W/EX [redacted]

DATE 9/12/97

SA [redacted]

(Complaint received by)

BLOCK STAMP

Agent copy sent

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